

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF ILLINOIS

UNITED STATES OF AMERICA,)
)
 Plaintiff,)
)
 vs.)
)
ELIZABETH A. SCHWARZ,)
)
 Defendant.)

No. 18-cr-30074-NJR-1

STIPULATION OF FACTS

The attorney for the United States and the attorney for the Defendant have engaged in discussions and have stipulated to the following facts to support the plea of guilty in accordance with U.S.S.G. § 6B1.4.

1. **ELIZABETH A. SCHWARZ** defrauded the State of Illinois Medicaid Home Services Program by falsely causing payments for personal assistant services not actually performed by her personal assistants. **ELIZABETH A. SCHWARZ** took many of the fraudulently obtained payments for herself.
2. **FRANK COLEMAN STROEHMER III**, acting in concert with **ELIZABETH A. SCHWARZ**, defrauded the State of Illinois Medicaid Home Services Program by falsely claiming and receiving payments for personal assistant services which he did not actually perform.
3. The Home Services Program is a Medicaid Waiver Program designed to provide a disabled individual who, with assistance in performing daily living activities in the home, would not require similar care in a nursing home. The Illinois Department of Human Services, Division of Rehabilitation Services (DORS) administers the program. Medicaid Waiver programs enable states to use both state and federal Medicaid funds to pay for services related to medical care that

would not ordinarily, be covered under Medicaid. **ELIZABETH A. SCHWARZ** qualified as a beneficiary for services in this program.

4. The State of Illinois pays a personal assistant hourly wages for performance of services for a qualified beneficiary. The qualified beneficiary and the personal assistant must sign an Individual Provider Payment Policies form. The qualified beneficiary must have a Service Plan listing all services to be provided. In order for the personal assistant to receive payment from the State of Illinois, the beneficiary must submit a Home Services Program Time Sheet form listing the hours worked by the personal assistant and signed by both the beneficiary and personal assistant. **FRANK COLEMAN STROEHMER III** was one of the personal assistants employed by **ELIZABETH A. SCHWARZ**.

5. On December 15, 2013, **ELIZABETH A. SCHWARZ** and **FRANK COLEMAN STROEHMER III** signed an Individual Provider Payment Policies form. Among other things, the Individual Provider Payment Policies form states the following:

Individual Providers can only be paid for the hours they worked for the customer per the HSP Service Plan. Billing/or hours not worked constitutes Medicaid fraud.

6. On June 30, 2016, **FRANK COLEMAN STROEHMER III** signed a Waiver Program Provider Agreement form. Among other things, the Waiver Program Provider Agreement form states the following:

The provider shall be fully liable for the truth, accuracy, and completeness of all claims for payment submitted electronically or in hard copy. Any false or fraudulent claim or claims or any concealment of a material fact may be prosecuted under applicable Federal and State laws.

7. From on or about February 1, 2010, through on or about November 30, 2013, in furtherance of a scheme to defraud the Medicaid Home Services Program for the State of Illinois, **ELIZABETH A. SCHWARZ** submitted Home Services Program Time Sheets on which she

falsely claimed hours of personal assistant services that were not performed on the dates and times reported on the Home Services Program Time Sheets.

8. From on or about January 14, 2017, though on or about June 12, 2017, in furtherance of a scheme to defraud the Medicaid Home Services Program for the State of Illinois, **ELIZABETH A. SCHWARZ** and **FRANK COLEMAN STROEHMER III** submitted Home Services Program Time Sheets on which they falsely claimed hours of personal assistant services that were not performed on the dates and times reported on the Home Services Program Time Sheets. **ELIZABETH A. SCHWARZ** and **FRANK COLEMAN STROEHMER III** signed each time sheet under the following printed information:

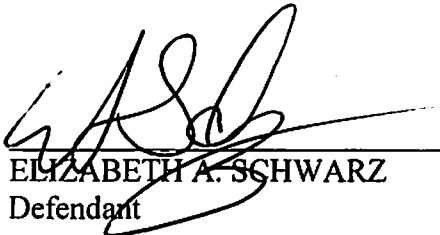
I certify that the above information is true and in accordance with the Individual Provider Payment Policies (IL488-2252). I understand falsification of any information submitted on this form could lead to criminal prosecution.

9. **Count 1.** The Defendant admits that on various dates from on or about February 1, 2010, through on or about November 30, 2013, in Madison County, within the Southern District of Illinois, she knowingly and willfully executed a scheme to defraud a health care benefit program, affecting interstate commerce as defined in Title 18, United States Code, Section 24(b), namely Medicaid, in connection with the delivery of and payment for health care benefits and services by submitting time sheets which reported hours of services by a personal assistant who had not performed any such services and then diverting to herself the payment for those falsely reported personal assistant services which had not been performed, in violation of Title 18, United States Code, Section 1347.

10. **Count 2.** The Defendant admits that on various dates from on or about January 14, 2017, through on or about June 12, 2017, in Madison County, within the Southern District of Illinois, she, in concert with **FRANK COLEMAN STROEHMER, III**, knowingly and willfully

executed a scheme to defraud a health care benefit program, affecting interstate commerce as defined in Title 18, United States Code, Section 24(b), namely Medicaid, in connection with the delivery of and payment for health care benefits and services by submitting time sheets reporting hours of services which had not been performed and receiving payment for those falsely reported personal assistant services which had not been performed, in violation of Title 18, United States Code, Section 1347.

SO STIPULATED.


ELIZABETH A. SCHWARZ
Defendant


BRIAN L. POLINSKE
Attorney for Defendant

Date: 3-28-2019

STEVEN D. WEINHOFET
United States Attorney


WILLIAM E. COONAN
Assistant United States Attorney

Date: 3-28-2019